Animas River Stakeholders Group Work Group Meeting January 19, 2006 1:30 p.m. Miner's Union Hospital

Present: Bill Simon, Jerry Goedert, Larry Perino, Steve Fearn, Peter Butler, Shawna Bethell.

To begin the meeting Jerry gave an update on the Gladstone efforts. At this juncture in the project two variables need to be addressed: design flow rate and the pH set point. Via tests done in July and September of 2005 of adits along Cement Creek and at Gladstone it was decided that most of the loading occurred during low flow with less than 400 gpm on both occasions of testing. There are six metals of concern: Aluminum, Cadmium, Copper, Iron, Manganese, and Zinc. A pH of nine would meet TVS standards on all metals but Manganese. At A72 there have been no Manganese exceedances in three years. At this time, UOS was asking for the Stakeholders' input before moving forward with the conceptual design, which was provided. The group decided to further pursue two scenarios i.e 1) treatment of upper Cement Creek at 1000 GPM (expandable) and 2) treatment of 4 major loading draining adits (Grand Mogul excluded due to lack of consistant flow and possible hydrological control feasibility and Silver Ledge excluded as too low in metal concentrations).

Discussion included cost estimates including single vs double walled pipe, potential cost of pumping water up from the American Tunnel to the Success Placer, road construction, catastrophic backup plans, and sludge removal. Treatment Plant location on BLM land was also considered. Utilizing gravity flow via excavation for the waters from the American Tunnel was discussed as was the discharge point of the Tunnel.

The Stakeholders told Jerry to proceed with the conceptual design and cost estimates. Jerry's full report was sent out via Bill prior to the January 19 meeting.

Bill gave a report on the BLM funded kick off meeting of a group looking into the legal aspects of a regional treatment facility at Gladstone. Those in attendance included Stephanie Odell, Todd Hennis, Willey Tookey, Paul Sunderland, Rob Robinson, and several representatives from the WQCD, EPA, and the attorney generals office. It is important to get San Juan County involved with the Brownsfield efforts. County Attorney Paul Sunderland advised against the county holding the treatment plant permit, but will assist in facilitating the efforts. Mr. Sunderland had several suggestions related to forming special improvement districts and potential funding sources that he will include in a developing permitting scenario report. Who would actually write the permit and enforce it is in question as well – depending upon the properties involved whether private, federal, or mixed ownership.

Related to the upcoming WQCC Rule Making Hearing, Bill stated that it is possible to set a site specific stream classification designation for the outfall of the plant or we could

keep the existing designation for all of Cement Creek. It was decided that there appears to be no advantage to having a separate site specific designation.

Bill also pointed out that all existing Temporary modifications to stream standards within the Animas watershed will be crossed out and new ones will be adopted based on the 85% of all samples taken either over a 2 (ARSG suggestion) or a 5 (WQCD suggestion) year period. Using either method temporary modification would likely be increased reflecting increased concentrations of metals to Cement Creek in recent years. (Note: a recent letter from WQCD, since the meeting, indicates the Division will not suggest any temporary modifications for any stream standards, a new position which may or may not have any impacts. We will discuss this breaking news at the next meeting).

Jerry reported that the Brownfields Smelter project is proceeding with cost estimates, but there is nothing to report at this time. They are working on a toxicology report. There is a need to find somewhere to relocate the tailings. This conversation moved directly to discussion of urging the BLM to commit to reopening an investigation of where to deposit the tailings from Eureka and the sludge produced by the regional treatment facility at Gladstone. Further discussion included disposal site potential options of Tailings Pond #4 and re-injection at the Osceola Mine. Jerry Goedert was given directions to recognize the importance of sludge disposal issues as they relate to the Gladstone project.

In reference to the Scarred Lands Initiative, Bill announced \$15,000 was committed to the River Corridor project. Silver Lake is too much in limbo and Bill felt the money would have been lost (it needs to be spent by Aug. 31, 2006) For the River Corridor project public meetings will be immediately planned to get community input. The money will most likely be funneled through MSI or San Juan RC and D as project sponsor. ARSG will be involved via volunteer clean-up efforts at the old dump site in June which could coincide with a community kickoff event where all stakeholders could have a chance to explain what they could bring to the table. Several State and Federal agencies and funding possibilities are very interested in this project which may include such things as trails planning, wetland preservation/restoration, water park planning, riparian habitat development, etc.

The Pride of the West settlement is complete. ARSG will monitor flows next spring. Approximately \$591,000 of State funds were expended on the project that are eligible as cash match for existing ARSG NPS 319 projects.

Bill rec'd results from Barb Horn on tailings and water samples from Silver Lake. Bill announced he has completed the data base updates through July 2005; his next project is to resurrect the website. He would like suggestions of web-masters.

The Non-Point Source applications did not fair well. We were mid-pack for mine waste control and bottom of the pack for the bulkhead project. We may get some funding however.